the Indian stock markets have received a major setback due to the recent securities scam; and

(b) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) No, Sir.

(b) Does not arise.

Reopening of No. 1 Mill of Titagarh paper mills

@561. SHRI MOHAMMED AMIN: Will the Minister of FINANCE be pleased to state:

(a) whether IDBI has since released Rs. 1806 crores required to reopen the No. 1 Mill of Titagarh Paper Mills; and

(b) if so, whether efforts to reopen the mill are going on in full force?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) and (b) The Industrial Development Bank of India (IDBI) has reported that out of Rs. 1850 lakhs sanctioned by the institutions pursuant to a rehabilitation scheme formulated and sanctioned by BIFR in December, 1990, it has disbursed Rs. 50 lakhs to meet expenditure on repairs and over-hauling of the plant and machinery prior to restarting of Mill No. 1 of Titagarh Paper Mills. Since a core promoter has not yet been identified to manage this company, the amount remains unutilised with the company. Efforts are however being made under the aegis of the Board for Industrial and Financial Reconstruction (BIFR) by the State Govt. of West Bengal, IDBI and the company to identify a core promoter.

Computerisation of Accounting in RBI

562. SHRI S. K. T. RAMACHANDRAN: Will the Minister of FINANCE be pleased to state:

(a) what steps have been taken by Government to computerise the system of accounting in the RBI;

(b) what steps have been taken to prevent the misuse and abuse of bank receipts; and

(c) what steps are being taken to prevent the misuse of account payee cheques, credited in favour of some one other than the payee?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) Reserve Bank of India (RBI) have recently installed a computer system and developed the software for computerisation of Securities General Ledger (SGL) Accounts in their Public Debt Office at Bombay. Advanced Ledger Posting Machines have been installed in Madras and New Delhi Offices, and will soon be installed in Bombay, Hyderabad and Bangalore Offices. RBI have also installed a nation-wide network for transmission of funds related messages.

(b) RBI have reported that on the basis of recommendations contained in the first interim report of the Janakiraman Committee they have issued in June, 1992 detailed guidelines to banks on the conduct of their investment portfolio. These guidelines seek *inter-alia* to restrict the use of bank receipts (BR). In terms of these guidelines banks have been advised that no BR should be issued under any circumstances in respect of transactions in Government securities for which SGL facility is available. Even in the case of other securities banks have been advised that BR be issued for ready transactions only under special circumstances mentioned in RBI's circular of June, 1992.

(c) RBI have reported that Negotiable Instrument Act (NI Act) 1881 contains safeguards against misuse of crossed cheques. In terms of the provisions of NI Act, payment of a crossed cheque, where the cheque is crossed generally, shall not be made by the banker on whom it is drawn otherwise than to a banker. Where a cheque is crossed specially the payment shall not be made by

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@Previously Unstarred Question 197, transferred from the 9th July, 1992.